



Community Planning and Development

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October 2, 2013

The Honorable Senator David B. Robertson
Committee Chair
Local Government And Elections Committee

RE: SB 313

Dear Chairman Robertson:

My name is Jeff Chamberlain and I am the Director of Community Planning & Development for the City of Kalamazoo. My department is responsible for regulating, inspecting and ensuring the safety of rental properties in the City of Kalamazoo, and I have worked for the City of Kalamazoo for 18 years.

For context, the following are a few facts about the City of Kalamazoo's rental certification and inspection program:

- 55% of the housing stock in the City of Kalamazoo is rental, up from 53% in 2000
- A significant number of rental units are located in low income areas or in areas with high student rental concentrations near Western Michigan University and Kalamazoo College.
- Kalamazoo's program has been in place for approximately 30 years
- Kalamazoo has approximately 4,000 rental properties
- Kalamazoo has approximately 16,000 rental units
- City staff conduct approximately 5,000 inspections per year
- The program does not raise enough revenue to pay for itself, it is subsidized by the City's General Fund.

The City of Kalamazoo's concurs with the concerns raised by the Michigan Municipal League in their memo of September 24, 2013 to the Committee. Below please find a list of concerns that the City of Kalamazoo has with SB 313. Please feel free to contact me if you or the committee wish further information.

Fees

A cap on the fees would artificially control the amount of revenue generated by a community's rental program. Communities are already bound by law to charge no more than what their program costs. A state-mandated cap does not account for the varying circumstances in different

types of communities (e.g., suburban vs. urban, older rental stock vs. newer, bedroom community vs. college town, etc.) and will force communities to rely upon General Fund subsidies or to drop programs altogether.

Time between inspections

A minimum inspection period of six years for all inspections is too long for the City of Kalamazoo. Our experience has found that there are many good landlords in our community, but there are also those landlords who let their properties deteriorate. We have found that an incentive-based program is working. In Kalamazoo, landlords whose properties comply with regulations and are inspected timely qualify for a 40 month certification period; properties which have multiple violations qualify for a 28 month certification, and problem properties are reinspected every 16 months.

Waiting six years between inspections for all types of properties will lead to further property deterioration in some of our poorest neighborhoods, and will lead to greater blight, lowered property values and more unsafe living environments.

Access to property

The proposed requirement for the municipality to notify tenants for permission to enter a rental unit will add to the local government's cost of running an inspection program, costs which must be borne by the fees charged by the program or by the taxpayers. If the City of Kalamazoo had to contact the 5,000+ tenants to schedule appointments every year, we would need to hire a team of new support staff to make these arrangements. The current system of contacting the property owner, who then is responsible for contacting tenants, is a system which works for all parties involved and minimizes governmental costs.

In conclusion, the City of Kalamazoo works regularly with its landlord constituents to maintain and refine a rental program which meets our objectives of having a safe, quality housing stock, while at the same time having regulations which are practical and workable. We have found that a reasonable program plays a vital role in maintaining housing quality in our community. SB 313 as proposed would severely limit the City's ability to maintain a quality housing stock (and therefore maintain surrounding property values), would increase the cost of the program, and shift costs to taxpayers.

Thank you for your time and consideration.

Very truly,

A handwritten signature in blue ink, appearing to read "Jeffrey D. Chamberlain", followed by a horizontal line.

Jeffrey D. Chamberlain, AICP

Director

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